

AMENDED IN ASSEMBLY MAY 1, 1997

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

ASSEMBLY BILL

No. 1598

**Introduced by Committee on Public Employees, Retirement
and Social Security (Knox (Chair), Migden, Runner, Scott,
Shelley, and Wildman)**

March 20, 1997

An act to amend Sections ~~31453.6~~, 31581.2, 31630, 31639.85, and 31685.5 of, ~~and to add Section 31678.1 to~~, the Government Code, relating to county employees.

LEGISLATIVE COUNSEL'S DIGEST

AB 1598, as amended, Committee on Public Employees, Retirement and Social Security. County employees retirement.

The County Employees Retirement Law of 1937 authorizes ~~boards of retirement, at the request of county boards of supervisors, to adopt a funding period of 30 years to amortize unfunded accrued actuarial obligations.~~

~~This bill would provide instead that that funding period could not exceed 30 years.~~

~~Existing law authorizes~~ boards of supervisors and district governing boards, on recommendation of the board of retirement, to pay any portion of member contributions.

This bill would delete the board of retirement recommendation requirement.

Existing law conditions nonmember retirement upon the amount of member credited service on the date of marriage dissolution or legal separation.

This bill would condition that eligibility upon the member's credited service on the date of the nonmember's retirement.

~~Existing law limits the application of specified alternative retirement allowance calculations.~~

~~This bill would provide that in Kern County these limitations are only applicable to persons who first became members of the retirement system on and after January 1, 1994.~~

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 31453.6 of the Government~~
2 ~~Code is amended to read:~~

3 ~~31453.6. Notwithstanding any other provision of this~~
4 ~~chapter, the board of retirement may, at the request of~~
5 ~~the board of supervisors, adopt a funding period not to~~
6 ~~exceed 30 years to amortize unfunded accrued actuarial~~
7 ~~obligations, as determined by their actuary or by an~~
8 ~~actuary employed by the board of investments, for~~
9 ~~benefits applicable to all membership categories for the~~
10 ~~purpose of determining employer contribution rates for~~
11 ~~counties and districts. The board of retirement shall~~
12 ~~approve a new amortization period based upon a request~~
13 ~~from the board of supervisors that demonstrates a~~
14 ~~financial necessity. The board of retirement may deny a~~
15 ~~request when the request would subject the fund to an~~
16 ~~unsound financial risk.~~

17 ~~A board of retirement may take an action pursuant to~~
18 ~~this section only once.~~

19 ~~SEC. 2.—~~

20 ~~SECTION 1. Section 31581.2 of the Government~~
21 ~~Code is amended to read:~~

22 ~~31581.2. The board of supervisors or the governing~~
23 ~~body of the district may agree to pay any portion of the~~
24 ~~contributions required to be paid by a member. All~~

1 payments shall be in lieu of wages and shall be reported
2 simply as normal contributions and shall be credited to
3 member accounts.

4 The enactment of a resolution pursuant to this section
5 shall not create vested rights in any member. The board
6 of supervisors or the governing body of the district may
7 amend or repeal the resolution at any time, subject to the
8 provisions of Sections 3504 and 3505, or any similar rule or
9 regulation of the county or district.

10 ~~SEC. 3.—~~

11 *SEC. 2.* Section 31630 of the Government Code is
12 amended to read:

13 31630. Notwithstanding any other provisions in this
14 chapter, the South Coast Air Quality Management
15 District and in any county which has adopted Section
16 31676.1, 31676.11, 31676.12, 31676.13, 31676.14, 31676.15, or
17 31751, the board of supervisors or district board, as the
18 case may be, may agree to pay any portion of the
19 members' normal contributions to the system. All the
20 contributions paid by the county or district, as the case
21 may be, shall remain its contributions, and no right
22 therein shall accrue to any employee prior to the
23 employee's election to take a regular, deferred, or
24 disability retirement.

25 Any contributions paid by the board of supervisors or
26 the district board on behalf of the members shall be as
27 determined by upon actuarial advice, and approved by
28 the board of retirement.

29 ~~SEC. 4.—~~

30 *SEC. 3.* Section 31639.85 of the Government Code is
31 amended to read:

32 31639.85. Notwithstanding any other provisions in this
33 chapter, in any county which has adopted Section 31676.1,
34 31676.11, 31676.12, 31676.13, 31676.14, or 31676.15 the
35 board of supervisors may agree to pay any portion of the
36 safety members' normal contributions to the system. All
37 contributions paid by the county shall remain county
38 contributions, and no right therein shall accrue to any
39 employee prior to the employee's election to take a
40 regular, deferred or disability retirement.

1 Any contributions paid by the board of supervisors on
2 behalf of the safety members shall be as determined upon
3 actuarial advice, and approved by the board of
4 retirement.

5 ~~SEC. 5. Section 31678.1 is added to the Government~~
6 ~~Code, to read:~~

7 ~~31678.1. (a) In a county of the 14th class, as defined~~
8 ~~by Section 28020, as amended by Chapter 1204 of the~~
9 ~~Statutes of 1971, and Section 28035, as amended by~~
10 ~~Chapter 1204 of the Statutes of 1971, Section 31678 shall~~
11 ~~only be applicable to persons who first became members~~
12 ~~of the retirement system on and after January 1, 1994.~~

13 ~~(b) This section shall not be operative in that county~~
14 ~~until the board of supervisors, by resolution, adopted by~~
15 ~~a majority vote, makes this section applicable in that~~
16 ~~county.~~

17 ~~(c) Notwithstanding any other provision of law, this~~
18 ~~section shall only apply to members who retire on or after~~
19 ~~January 1, 1996.~~

20 ~~SEC. 6.—~~

21 ~~SEC. 4. Section 31685.5 of the Government Code is~~
22 ~~amended to read:~~

23 ~~31685.5. A nonmember shall be retired upon his or her~~
24 ~~written application to the board if all of the following~~
25 ~~conditions are met:~~

26 ~~(a) The member or nonmember has attained the~~
27 ~~minimum age prescribed by the applicable service~~
28 ~~retirement formula of the member.~~

29 ~~(b) On the date of retirement, the member had~~
30 ~~sufficient credited service to retire for service,~~
31 ~~notwithstanding any service credit awarded to the~~
32 ~~nonmember.~~